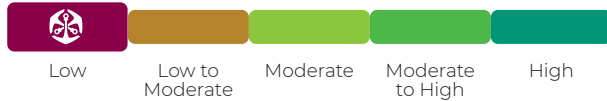




# OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

## FUND INFORMATION

### RISK PROFILE



### RECOMMENDED INVESTMENT TERM



### BENCHMARK:

STeFI Composite Index

### ASISA CATEGORY:

South African – Interest Bearing – Short Term

### LAUNCH DATE:

31/08/2018

### SIZE OF FUND:

R2.2bn

### DISTRIBUTIONS: (Monthly)\*

Date	Interest	Yield
28/02/2023	1.22c	6.14%
31/01/2023	1.32c	5.90%
31/12/2022	1.27c	5.64%
30/11/2022	1.00c	5.41%
31/10/2022	1.16c	5.28%
30/09/2022	1.03c	5.09%
31/08/2022	1.02c	4.95%
31/07/2022	0.88c	4.83%
30/06/2022	0.92c	4.77%
31/05/2022	0.89c	4.69%
30/04/2022	0.83c	4.62%
31/03/2022	0.85c	4.58%

\* Class A fund distributions

### TAX REFERENCE NUMBER:

9155/267/24/9

### JSE

OMITB2

### ISIN

ZAE000261749

### ESG FUND RATING

The environmental, social and governance (ESG) fund ratings are based on the exposure of the underlying assets held to industry-specific ESG risks and the ability to manage those risks relative to peers.

### FUND OBJECTIVE

The fund aims to deliver a regular income and to outperform corporate bank deposits over time, while preserving capital and maintaining a high level of liquidity.

### WHO IS THIS FUND FOR?

This fund is suited to risk-averse institutional and corporate investors who do not want exposure to non-bank issued corporate debt, but who require a liquid short-term interest-bearing investment vehicle providing higher yields relative to a corporate call deposit bank account.

### INVESTMENT MANDATE

The fund may, apart from having exposure to government issued non-equity securities and/or South African government guaranteed non-equity securities, only have exposure to South African domiciled bank-issued non-equity securities. These non-equity securities must have been issued by a bank which is a top five rated South African bank at the time of purchase of such non-equity security.



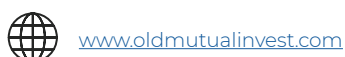
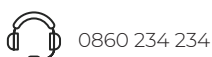
The fund has a Global Credit Rating (GCR) of AA+. The next review date is 30 June 2023.

### REGULATION 28 COMPLIANCE

The fund does not comply with the asset allocation sublimits set out in Regulation 28 of the Pension Funds Act, and therefore the fund is not Regulation 28 compliant.

## CONTACT DETAILS

Funds are also available via Old Mutual Wealth.

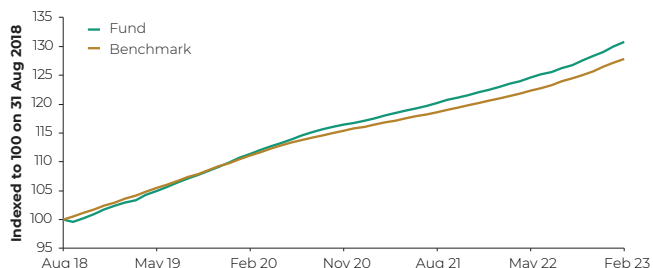




# OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

## FUND PERFORMANCE AS AT 28/02/2023

### PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

### Risk Statistics (Since Inception)

Maximum Drawdown	-0.4%
Months to Recover	1
% Positive Months	98.1%
Annual Standard Deviation	0.7%

Risk statistics are calculated based on monthly performance data from inception of the fund.

### % Performance (Annualised)

	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception*
Fund	6.3%	5.5%	-	-	-	6.2%
Benchmark	5.7%	4.8%	5.8%	6.3%	6.2%	5.5%

\* Performance since inception of the fund.

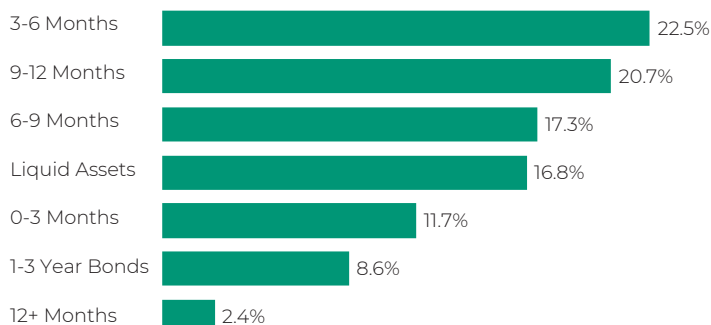
Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance. Please note: the Fund returns are net of the Total Investment Charges but exclude the fees institutional clients are charged who invest in the B2 class (0.00%).

### Rolling 12-Month Return

	Highest	Average	Lowest
Fund (Since Inception)	8.4%	6.1%	4.3%

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION



### ISSUER EXPOSURE

Holding	% of Fund
FirstRand Bank Ltd	24.7%
ABSA Bank Ltd	20.2%
Standard Bank of South Africa Ltd	18.6%
Republic of South Africa	14.6%
Nedbank Ltd	14.5%
Investec Bank Ltd	7.4%



# OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

## PORTFOLIO MANAGERS COMMENTARY AS AT 31/12/2022

FUTUREGROWTH ASSET MANAGEMENT



### MICHAEL VAN RENSBURG

- BCom
- 33 years of investment experience

South African money market rates rose across the yield curve during the quarter with an anticipated rate hike of 75 basis points (bps) in November. The 12-month JIBAR rates rose, ending the quarter at 8.683%. The difference between 12-month and 3-month JIBAR rates is now at c.142bps, which is a reduction in the spread from last quarter indicating that we are nearing the end of the rate hiking cycle.

We are still of the view that local inflation is close to or at the peak and will start to see tapering back to within target bands. This should pave the way for a slowdown in the pace of rate hikes, which is already evident in market rates.

Rates had been hiked by a total of 325bps for the year ended 2022. The South African repo rate ended the quarter and year at 7%.

The forward rate curve has flattened beyond the first quarter of 2023 indicating the possibility of only another 25bp hike in February 2023 and a low probability of more hikes for 2023.

Demand for Treasury bills remained high but the additional margin earned over bank negotiable certificates of deposit (NCDs) has been trending lower. The total issuance has also been reduced to R10.35bn. Currently, only the 6-month and 9-month areas of the TB curve are still trading at slightly higher spreads over NCDs albeit at a decreased pickup over NCDs. Therefore, our focus has been on these areas of the curve over the quarter.

Given our view on the attractive levels in the 12-month area, at the start of the quarter, we actively positioned for an overweight position to benchmark. We purchased in the 12-month fixed rate space and have continued

purchasing listed credit for yield enhancement. Where we could not purchase in the 12-month area we focused on the 6-month and 9-month Treasury bill assets. Given our view on rates we are also likely to start moving our purchasing even more into fixed rate notes.

Source: Old Mutual Investment Group as at 31/12/2022

## OTHER INVESTMENT CONSIDERATIONS

### MINIMUM INVESTMENTS:

Lump sum: R20 million

### ONGOING

	Class B2
Annual service fees (excl. VAT)	0.00%

Futuregrowth's institutional clients will access the 0.00% (zero) fee class of the fund. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER of the fund. Futuregrowth will invoice its institutional clients a maximum of 0.25% ex VAT. These costs will include OMUT's platform fee and Futuregrowth's portfolio management fee and may include a referral fee payable to a financial adviser. These fees are calculated on NAV and are payable monthly in arrears.

Total Expenses (Incl. Annual Service Fee) (31/12/2022)	36 Months	12 Months
	Class B2	Class B2
Total Expense Ratio (TER) Incl. VAT	0.02%	0.03%
Transaction Cost (TC)	0.02%	0.02%
Total Investment Charge	0.04%	0.05%

TER is a historic measure of the impact the deduction of management and operating costs has on a fund's value. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER, which includes the annual service fee, may not necessarily be an accurate indication of future TERs. Transaction Cost (TC) is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.



# OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

## DISCLAIMER

**We aim to treat our clients fairly by giving you the information you need in as simple a way as possible, to enable you to make informed decisions about your investments.**

- We believe in the value of sound advice and so recommend that you consult a financial planner before buying or selling unit trusts. You may, however, buy and sell without the help of a financial planner. If you do use a planner, we remind you that they are entitled to certain negotiable planner fees or commissions.
- You should ideally see unit trusts as a medium- to long-term investment. The fluctuations of particular investment strategies affect how a fund performs. Your fund value may go up or down. Therefore, we cannot guarantee the investment capital or return of your investment. How a fund has performed in the past does not necessarily indicate how it will perform in the future.
- The fund fees and costs that we charge for managing your investment are disclosed in this Minimum Disclosure Document (MDD) and in the table of fees and charges, both of which are available on our public website or from our contact centre.
- Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained, free of charge, from Old Mutual Unit Trust Managers (RF) (Pty) Ltd, from our public website at [www.oldmutualinvest.com](http://www.oldmutualinvest.com) or our contact centre on 0860 234 234.
- Our cut-off time for client instructions (e.g. buying and selling) is at 15:00 each working day for all our funds, except for our money market funds, where the cut-off is at 12:30.
- The valuation time is set at 15:00 each working day for all our funds, excluding our money market funds which is at 13:00, to determine the daily ruling price (other than at month-end when we value the Old Mutual Index Funds and Old Mutual Multi-Managers Fund of Funds range at 17:00 close). Daily prices are available on the public website and in the media.
- Unit trusts are traded at ruling prices, may borrow to fund client disinvestments and may engage in scrip lending. The daily ruling price is based on the current market value of the fund's assets plus income minus expenses (NAV of the portfolio) divided by the number of units on issue.
- The Net Asset Value to Net Asset Value figures are used for the performance calculations. The performance quoted is for a lump sum investment. The performance calculation includes income distributions prior to the deduction of taxes and distributions are reinvested on the ex-dividend date. Performances may differ as a result of actual initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Annualised returns are the weighted average compound growth rates over the performance period measured. Performances are in ZAR and as at 28 February 2023. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).
- MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings ("the information") provide environmental, social and governance data with respect to underlying securities within more than 31 000 multi-asset class mutual funds and ETFs globally. MSCI ESG is a registered investment adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from the US SEC or any other regulatory body. None of the information constitutes an offer to buy or sell, or a promotion or recommendation of any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the information can be used to determine which securities to buy or sell or when to buy or sell them. The information is provided "as is" and the user of the information assumes the entire risk of any use it may make or permit to be made of the information.

Futuregrowth Asset Management (Pty) Ltd is a Licensed Financial Services Provider.

Old Mutual Unit Trust Managers (RF) (Pty) Ltd, registration number 1965 008 47107, is a registered manager in terms of the Collective Investment Schemes Control Act 45 of 2002. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA). Old Mutual Unit Trust Managers has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

Trustee: Standard Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887.

## CONTACT DETAILS

**Funds are also available via Old Mutual Wealth.**

